

Downtown is looking up: The post-9/11 rebirth of the Financial District is here

Apartment towers, shopping complexes and a transportation hub are all part of the Lower Manhattan revival

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SILVERSTEIN PROPERTIESA rendering of Lower Manhattan when the redevelopment of the World Trade Center area is complete, expected by 2018.

The National September 11 Memorial Museum opened Thursday, a somber look back at a day that will live in infamy.

But that horrific past is merely prologue to the renaissance in the heart of the Financial District, which is beating once more with blocks of new retail, new transit links and, most important, thousands of new residential units.

Downtown is back on top.

"It's the culmination of \$30 billion of public and private investment coming online at relatively the same time," said Jessica Lappin, president of the Downtown Alliance. "This is not your father's FiDi. We don't roll up the sidewalks at the closing bell anymore."

We've heard that talk before ... but this time, it's happening: More office leases were signed in Lower Manhattan in the first quarter of the year than there have been in any quarter for the last decade — and the growth extends beyond financial companies.

Nearly half of all companies that have moved to Financial District since 2011 have been technology, advertising or media firms, including, most notably, Condé Nast.

The relocations bring a diversity to the downtown economy and its retail and residential mix.



The design for South Street Seaport's Pier 17

"You've never seen so much money invested in new construction in such a small area before," said Ed Hogan, head of retail leasing at Brookfield Place, the retooled shopping and office complex formerly known as the World Financial Center.

Downtown developers are making a bit of a leap of faith. After all, the Port Authority is still trying to lease the remaining space at 1 World Trade Center, and developer Larry Silverstein hasn't fully leased 3 World Trade Center and 4 World Trade Center.

Silverstein thinks that it will be easier to attract tenants for the remaining towers once companies begin moving into 1 World Trade this year, generating buzz at the site. Some say the neighborhood resurgence is just beginning.

“Once the World Trade Center comes online later this year, it’s going to unleash another retail and residential boom around the edges of the site,” said Jordan Barowitz, director of external affairs at the Durst Organization. Silverstein agreed: “The transformation will be total,” he said. Here’s our look at the booming Financial District.



JENNIFER MITCHELL FOR NEW YORK DAILY NEWS Developer Adam Rose at 70 Pine St., the Art Deco tower he's transforming

RETAIL: A NEW HUB

Three new projects, including the giant Santiago Calatrava-designed winged structure at the World Trade Center, are poised to transform the shopping prospects of Lower Manhattanites beyond recognition. More than 1.55 million square feet of new or repositioned retail — the equivalent of six full blocks — will join the mix in the next two years.

“There’s a retail revolution taking place,” Lappin said. “The whole retail landscape is about to be transformed in a radical way.”

World Trade Center: It’s about time: Roughly 150 stores are coming to the World Trade Center Transportation Hub, now under construction, including Tom Ford, Tiffany & Co., Kate Spade, Zadig & Voltaire, Cole Haan and, the icing on the cake, an Apple store.

Victoria’s Secret, Sephora, Disney, Lego and Godiva have all reportedly taken out leases, too. The majority of the \$3.94 billion transit center’s stores will be underground.

You’ve never seen so much money invested in new construction in such a small area before.

Brookfield Place: Fashion’s elite will join the Brookfield Place shopping center — which will open next year after a \$250 million redesign of the office complex formerly known as the World Financial Center.

If you visit, bring a full wallet. Luxury brands such as Burberry, Hermès, Ermenegildo Zegna, Diane von Furstenberg, Salvatore Ferragamo, Scoop NYC and Paul Smith don’t cater to bargain hunters.

Iron Chef Jose Garces is opening his first New York restaurant, Amada, at the complex, an indication that this is more than a mall. Indeed, restaurateurs Danny Meyer and Jeff Zalaznick will follow.

“Retailers and restaurateurs are starting to recognize what we have known for a long time: Downtown is underserved,” said Peter Poulakakos, who is opening Le District, a French-inspired marketplace and eatery in Brookfield Place.

Pier 17: One developer is betting big that it can revive the South Street Seaport — this time for New Yorkers, not for tourists.

Texas-based Howard Hughes Corp. began the \$200 million, SHoP Architects-designed glass retail complex at Pier 17 last year and is seeking tenants. Beyond shopping, there will be a large rooftop space and an eight-screen multiplex.



Santiago Calatrava's design for the World Trade Center Transportation Hub

The company is already promoting the space with retail and food pop-ups, plus outdoor films and live music.

HOUSING IS RISING

If you build it, they will come — and they’ll need somewhere to live.

Residential developers have taken their cue from the office and retail rebirth and are building a slew of condo and rental towers to house the professionals expected to flock to the Financial District.

"A lot of the confidence ties into the redevelopment of the World Trade Center and some of these other commercial infrastructure centers," said Anna Zarro, a broker with Town Residential. "The residential developers have become a lot more bullish about hitting 'go' on sites that have been on hold or acquiring sites that have failed before. Everyone wants to be at the party now, and no one wants to show up late."

The smart money is getting in now, at least according to the brokers hawking these residential projects.



JEFF BACHNER FOR NEW YORK DAILY NEWSLarry Silverstein, developer of the World Trade Center property, says the transformation in the area around the site "will be total."

"This is not a neighborhood that's going to have to be a value proposition anymore," Zarro said. "If you're a current resident and you're enjoying a low rent, things are unfortunately going to change for you. That being said, you're going to be able to walk to where you want to shop and go out for dinner without having to go further uptown."

In fact, residential pricing in lower Manhattan hit a 25-year high in the first quarter of this year. The average price for an apartment in the neighborhood was \$1,376 per square foot, close to the Manhattan average. Meanwhile, rents held steady. The median rent for an apartment in the area was \$3,450, compared to an overall Manhattan median of \$3,174.

30 Park Place: World Trade Center developer Silverstein's residential tower at Park Place at Church St. will rise to 926 feet, making it the tallest residential tower in downtown Manhattan and one of the tallest in the city.

The 82-story limestone and cast-stone building, designed by 15 Central Park West architect Robert A.M. Stern, will have 157 luxury condos as well as a 189-room Four Seasons Hotel.

Silverstein and the California State Teachers' Retirement System bought the site, which formerly housed an office building, from Moody's in 2006. The project was mothballed during the recession.

Condo sales start in the next few weeks. Prices for one-bedroom homes, the cheapest apartments in the building, will start at \$2.5 million. A duplex penthouse, the most expensive, will ask \$60 million.



ARCHPARTNERS/RENDERING BY ARCHPARTNERSA

rendering of 30 Park Place, Larry Silverstein's residential project near the World Trade Center site

Silverstein went with a stone facade as opposed to a more modern glass curtain so that World Trade Center workers won't have to live in a place that looks just like their office, he said.

The Woolworth Building: The Woolworth Building was the world's tallest when it opened in 1913, and the views from the top remain stellar. Alchemy Properties paid \$68 million to buy the top 30 floors of the landmark in

2012, and construction is underway to transform the space into 40 luxury apartments, including a five-level penthouse fit for a Russian oligarch.

Alchemy will also restore an abandoned 55-foot swimming pool in the basement. Few other details are known, but a conversion this hot won't come cheap. Experts predict that the units will ask in excess of \$3,000 a square foot, more than twice the Manhattan average.

70 Pine St.: It's the most exciting new rental building since Frank Gehry designed crinkled stainless steel on Spruce St. The 66-story landmarked Art Deco tower at 70 Pine St., built in 1932 as an office building, is being transformed by developer Rose Associates and DTH Capital into 644 rentals and 132 hotel rooms.

Many historic details, including faceted plaster ceilings and yellow-cream marble walls, are being preserved, but there will be plenty of new amenities.

The top four stories will be turned into a glass-enclosed rooftop bar, where outside visitors can cradle a cocktail — but residents will have special privileges, like being able to skip the line for drinks. On hot days, residents and friends will be able to sip on the outdoor terrace, with 360-degree views of the city.



OMORPHYThe landmarked atrium, abandoned for decades, at 5 Beekman St. will be preserved as the building is redeveloped.

"It's like being in a helicopter," developer Adam Rose said.

Prices haven't been released, but Rose said asking prices will be similar to those at the Gehry building, where rents range from about \$2,800 a month for a studio to about \$60,000 for a four-bedroom penthouse.

5 Beekman St.: Pictures of the landmarked atrium of 5 Beekman St., a former office building known as Temple Court near City Hall Park, started an Internet sensation when they were snapped in 2010.

The exquisite ornamental details of the atrium, which was abandoned for 65 years, will be preserved as the developer — a partnership led by Allen Gross, who also built the Ace Hotel in NoMad — builds a 287-room hotel and 68 condo units in an adjacent tower.

No word yet on pricing for the condos.

50 West St.: The developer of 50 West St. bought the site in 1982 but didn't start building the 64-story residential tower until 2008 — then paused because of, you guessed it, the recession.



FRANK ZIMMERMANN70 Pine St., built as an office tower, will have rental units as well as a hotel.

Now the 191-unit condo project is back, thanks in part to all the new infrastructure and retail in the area, said developer Francis Greenberger of Time Equities.

German-American architect Helmut Jahn, the man behind the distinctive CitySpire building on 56th St., designed the curved glass tower, which will have a pool, a rooftop lounge, a library, a screening room and a gym.

"It's truly a lifestyle decision" to live there, Greenberger said.

108 Leonard St.: Slightly farther north, developer Don Peebles is converting a prewar building between Broadway and Lafayette St. into a \$400 million uber-luxury condo and hotel. Peebles is working with the Elad Group, the company behind the restoration of the Plaza Hotel.

There will be between 100 and 140 apartments and up to 100 hotel rooms. Pricing hasn't been announced. The Stanford White-designed structure, dating from the 1890s and known for its elegant clock tower, is the former New York Life Insurance Company Building. "It has tremendous architectural detail," Peebles said. "That stands out in Tribeca, which is mostly known for its industrial warehouses."